



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** July 21, 2009

**TO:** Mayor and Councilmembers

**FROM:** Business Division, Waterfront Department

**SUBJECT:** Purchase Order For UCP / Work, Incorporated

### RECOMMENDATION:

That Council find it in the City's best interest to waive the formal bid procedure as authorized by Municipal Code Section 4.52.080 (k), and authorize the General Services Manager to issue a purchase order to UCP / Work, Incorporated, for janitorial services at the Waterfront Department for Fiscal Year 2010 in an amount not to exceed \$220,000.

### DISCUSSION:

UCP/Work, Inc. (Work, Inc.), has provided janitorial services to the Waterfront since 1992. Work, Inc. is a non-profit organization providing vocational rehabilitation services to individuals with mental, developmental, and physical disabilities. These individuals are referred through the Department of Rehabilitation, Tri-Counties Regional Center, and Mental Health Services.

Staff recommends that it is in the best interest of the City to continue providing work opportunities to disabled individuals in the Work, Inc. Vocational Rehabilitation Program. For Fiscal Year 2010, Waterfront staff negotiated to reduce the Work, Inc. contract rate by 5% from \$232,000 to \$220,000 due to budgetary cutbacks. Based on a competitive proposal received in February 2007, staff believes the cost of these services is within the range of market value or competitive costs for comparable janitorial services.

Work, Inc. provides a clean and safe environment for public enjoyment of the Harbor. The company is responsible for cleaning 20 restrooms, the commercial area of the Harbor, and collecting trash in the marinas. Work, Inc. supervisors oversee their employees seven days a week, including holidays. Work, Inc. employees are dependable and courteous and take their work seriously.

As a tax-exempt charitable nonprofit organization, Work, Inc. is exempt from the City's Living Wage Ordinance. However, Work, Inc. pays its Harbor supervisors \$11.00-\$15.00 / hour and provides 9 paid holidays per year, full medical benefits and 18 vacation/sick days per year and 403B/401(k) retirement plan, which exceeds the benefit levels defined in the Living Wage Ordinance. Part-time trainees (individuals with disabilities) and part-time harbor workers are paid between \$7.75 and \$10.00 /hour and do not receive benefits.

Section 4.52.08 (k) of the Municipal Code authorizes City Council to waive the formal bid procedure and approve the purchase of goods or services without complying with formal bid procedures, "where in the opinion of the Council, compliance with procedure is not in the best interest of the City" (Attachment 2). Sufficient funds for the Work, Inc contract are included in the Waterfront Department Fiscal Year 2009 budget submittal.

**PREPARED BY:** Scott Riedman, Waterfront Business Manager

**SUBMITTED BY:** John N. Bridley, Waterfront Director

**APPROVED BY:** City Administrator's Office